

## **A. How to Prepare a Commercialization Plan**

All patent license applications are received and reviewed by the GRC Technology Transfer & Partnership Office (TTPO). All license applications must be accompanied by a commercialization plan. This plan must include all information listed below. All technical and business information will be kept confidential if marked as such.

1. The nature of the company's business, identifying products and services that have been successfully commercialized in the past 5 years or are proposed for commercialization.
2. A copy of the company's financial report (e.g., Dun & Bradstreet report) and/or the latest annual report.
3. A statement indicating whether your company qualifies as a small business firm as defined in 37 CFR 404.3(c).
4. An overview of how the company plans to use the licensed technology, including any products that will be developed and their potential customers, if applicable.
5. If a product is to be developed, include a 3- to 5-year pro forma income statement, including number of units per year, average price per unit, direct and indirect expenditure estimates, and other relevant data.
6. A chart showing what technical milestones need to be achieved and when.
7. A statement of the nature and amount of anticipated manpower, money, and other company resources believed to be required.
8. A statement of the field(s) of use in which your company intends to apply the technology.
9. The identified role of GRC. Will it be as technical consultant or will NASA research, design, or other engineering be required? Define anticipated manpower requirements.
10. Proposed royalty rates, including up-front fees and yearly minimum payments.

## **B. GRC Evaluation Criteria for Your Commercialization Plan**

GRC considers a variety of factors when evaluating a company's business proposal, whether it is a license application for a commercialization plan.

### **Technical Factors**

- Understanding the technology
- Technical capabilities and facilities
- Awareness of technical challenges and constraints and a plan for solving them
- Available and accessible technical and engineering skills
- Assessment of design changes necessary to achieve commercialization

### **Business Factors**

- Goals of project agree with company's overall mission and goals
- Demonstration of strength of company in field of technology relating to product
- Clear identification of existing and potential customers
- Characterization of market, including size and estimate of penetration
- Competitive advantage and position
- Clear work/business plan, including well- defined roadmap to commercialization
- Demonstrated development, manufacturing, and marketing capabilities
- Financial condition of company

## Management Factors

- Leadership and commitment of management
- Well-defined project management, schedule, and resources
- Reasonableness of proposed effort, including time and resource estimates
- Strengths and capabilities of management team, including past experience
- Record of successful and unsuccessful technology development leading to commercial products

## Economic Impact

- Financial benefit to company and NASA
- Number and quality of jobs expected to be created
- Impact on consumers and taxpayer benefits
- Time to commercialization impact
- Expectations for exportation of product
- Financial and organizational impact on company
- Economic impact in company's local community

## C. Processing of License Applications

Once GRC's TTPO has received and reviewed a complete license application, including the commercialization plan, it makes a preliminary recommendation to NASA Headquarters. This recommendation will be either:

- To grant the license as requested
- To grant the license with modification after negotiation with the licensee
- To deny the license.

For exclusive and partially exclusive licenses, an additional step is required before a final determination to grant a license can be made. This step involves placing a notice of a prospective license, identifying the invention and the prospective licensee, in the *Federal Register* and providing an opportunity for filing written objections within a 15-business day period. Any objections are taken into consideration.

Proposal and negotiation of the license fee are integral parts of the entire licensing process; there is no single point in the process where such fee is the exclusive concern, nor is there any point where such fee does not interplay with other considerations.

Once a final determination is made to grant a license, final negotiations take place between the prospective licensee and GRC, and the license is granted.

Applicants who have had their application for a license denied and objectors to *Federal Register* notices who can demonstrate damage by the proposed action have the right to appeal GRC licensing determinations.